This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 02 QUITO 000586

SIPDIS

E.O. 12958: N/A TAGS: <u>PGOV PREL</u> <u>EC</u>

SUBJECT: INDIGENOUS ORGANIZATIONS FOCUSED INWARD

11. Summary: Our outreach efforts confirm the impression that major indigenous groups are focused inward for the moment. None joined the Quito anti-government marches on February 16, leaving that to Pachakutik, the political party associated with CONAIE. This does not signify a break between CONAIE and Pachakutik, we are told, just different roles. Most indigenous groups remain skeptical of a Free Trade Agreement with the U.S. and critical of Plan Colombia, but open to dialogue with us. End Summary.

CONAIE Focused on Rebuilding

12. Santiago De La Cruz, CONAIE's new national vice-president, told PolChief and PolOff on March 10 that, in the face of the GoE's divide-and-rule tactics, CONAIE's top priority now is to rebuild its grass roots support. All other issues, including CONAIE's efforts to put an FTA with the U.S. to a referendum, are "second-level."

Suffering GoE-Inflicted Losses

- 13. CONAIE and its affiliates, including the Sierra-based ECUARUNARI, are clearly resentful of the GoE's divide-and-rule tactics. De La Cruz and ECUARUNARI's vice-president Raul Ilaquiche complained harshly about having lost the leadership of government indigenous institutions CONAIE had won through its street actions. These government institutions include CONDENPE (dedicated to promoting indigenous development), DINEIB (indigenous and bilingual education division of the Ministry of Education) and the Ministry of Public Health's Indigenous Health division. All are now led by pro-government indigenous or ex-military leaders. CONAIE asked the USG to intervene with the President to get CONAIE representatives back in these government institutions.
- 14. De La Cruz said CONAIE opposes the government, not because its political alliance with Gutierrez ended, but because the GoE has persecuted CONAIE, fomenting division within the organization. CONAIE would want to see signs of reconciliation from the GoE before reconsidering political dialogue. While CONAIE opposes this government, he said, it is not seeking "chaos, or a state within a state", but "justice, equality, and true democracy." CONAIE's De La Cruz criticized the President's increasing control over all three branches of government, with a pro-government majority in Congress and the recent re-vamping of the Supreme Court. Discrimination against indigenous remains widespread, he said.

Opposition to an FTA

15. CONAIE and ECUARUNARI leaders believe the Ecuadorian people do not know what an FTA's effects will be and, therefore, feel Ecuador is not ready for an FTA. They also feel that Ecuador is not competitive economically to benefit from an FTA. In a March 7 meeting, Ilaquiche told PolChief and PolOff that indigenous groups have collected the number of signatures needed (800,000) to send a referendum on the FTA to Congress. De La Cruz also stated CONAIE is opposed to Plan Colombia because they feel the military presence on the Northern Border is negatively affecting indigenous communities there.

Others More Moderate

16. FENOCIN, an indigenous campesino group whose goals are more economically focused, is less threatened by, and therefore less opposed to, the current government. In a March 10 meeting, FENOCIN's President Pedro De La Cruz told PolChief FENOCIN generally supports the Socialist Party, which is currently allied to the government, and, less so, the Pachakutik Party. FENOCIN, while skeptical of the effects of an FTA, is open to dialogue on the subject. Indigenous participation leader Angel Medina of the Q'ellkaj Foundation took a different tack, faulting CONAIE president Luis Macas for his overly ideological anti-FTA posturing. What young, enterprising indigenous want, according to Medina, is not protection from free trade, but assistance to help them profit from it.

17. The GoE's tactics to divide and weaken CONAIE are clearly having the intended effect. They currently seemed more focused on re-building their grass roots support than on taking actions to remove the government. CONAIE's new leadership seemed open to dialogue with the Embassy, while maintaining their distance from certain USG priorities. We will continue to promote respect for constitutional democracy and will provide indigenous leaders more information on the benefits of an FTA. End Comment.

Bio Notes

- 18. Santiago De La Cruz, age 37, is new to the national indigenous leadership, and an impressive representative of the younger generation of indigenous leaders. An eloquent defender of indigenous rights, he also appeared eager to engage in dialogue with us. He is the first Chachi Indian (from Esmeraldas province) to be elected to the CONAIE board. De La Cruz was nominated by the CONAIE's coastal affiliate CONAICE. De La Cruz seemed very interested in the possibility of visiting the U.S. on an exchange program. While opposed to several USG policies, he said he believed the U.S. was "not all bad." De La Cruz received a degree in Education from Esmeraldas Technical University in February 12005.
- 19. Raul Ilaquiche, an IVP grantee, said he had recently represented Ecuador at OAS Indigenous Declaration talks. He implied the U.S. delegation had been obstructionist and were replaced during recent talks in D.C. Ilaquiche also said Ecuador would host an Andean indigenous conference in the fall.

 KENNEY